



**ROUND ROCK, TEXAS**  
PURPOSE. PASSION. PROSPERITY.

# **Proposed Bond Election**

## **Financial Impact**

**May 2013**

# City of Round Rock Financial Status

## Financial condition is solid

- Favorable bond ratings
- Bond Ratings recently affirmed
- Continue Pay-As-You-Go capital program



## Financial and operating plans are well-balanced

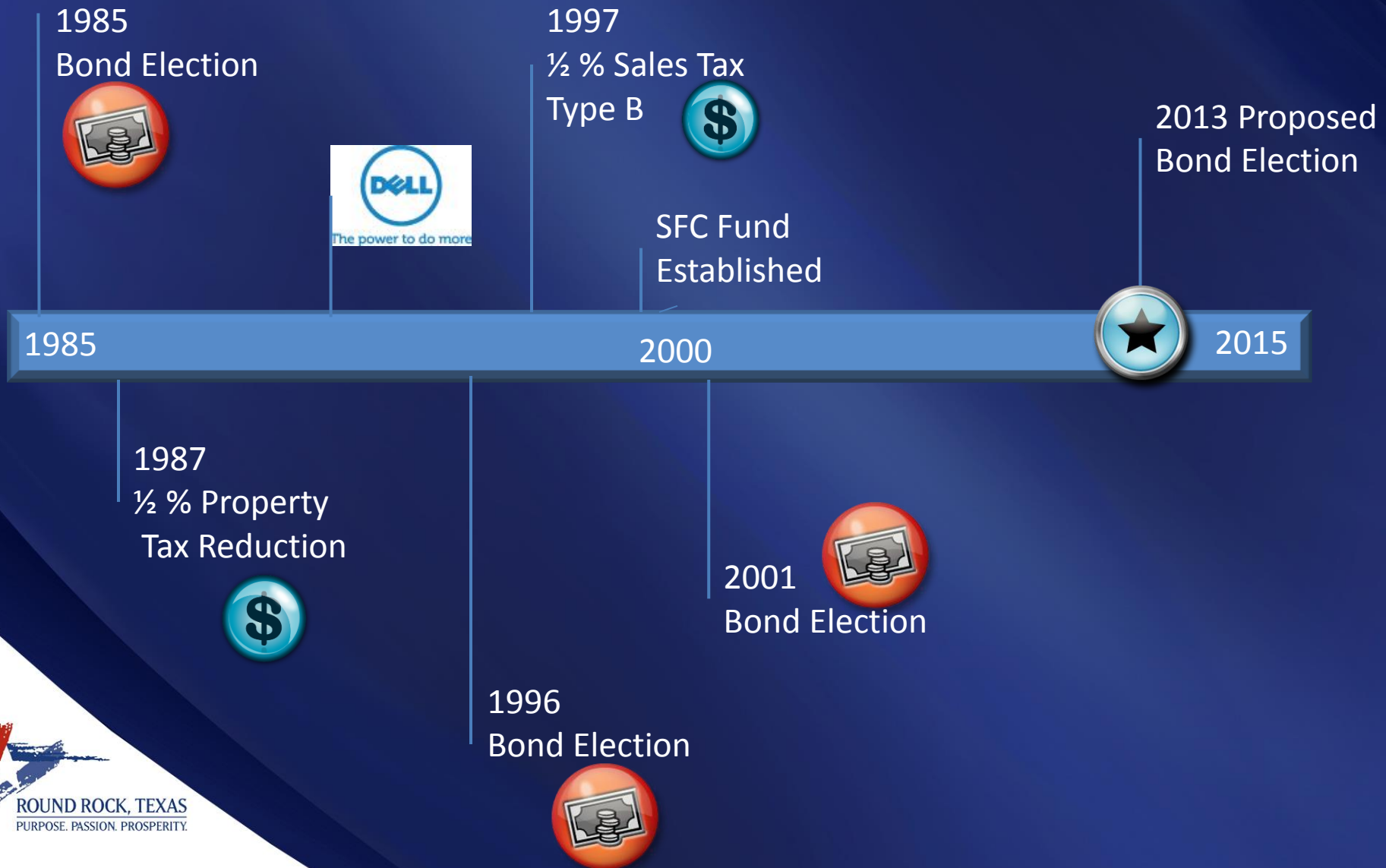
- Tax & utility rates continue to be among the lowest in the area
- Fund balances remain strong



## Strict adherence to Financial Management Policy

- Limits reliance on Dell

# Financial Timeline



# Bond Types



## General Obligation Bonds

- Requires voter approval
- Repaid with property taxes



## Certificate of Obligation

- Issued to finance general purpose municipal improvements, equipment purchases or acquisition of real property.
- Repaid with property taxes

## Revenue Bonds

- Supported by specific revenue source-such as Utility or other business type revenue
- Repaid with revenues collected



# 20 year Bond Issuance History

Year	General Obligation*	Certificate of Obligation*
1995	\$7,940	
1996		\$13,125
1997	\$5,185	
1998	\$2,550	\$8,905
2000	\$10,750	
2002	\$35,000	
2004	\$25,125	
2007	\$35,012	\$14,915

\* in thousands

Excludes revenue bonds

# Property Tax Rate Information

# Property Tax Rate Components



**General Fund -Maintenance and Operations rate (M&O):** an amount sufficient to fund general operations for the City



**Debt Service rate:** an amount sufficient to generate revenue to pay general obligation debt



**Total Property Tax Rate**

# City of Round Rock Property Tax Rate

Maintenance & Operations	\$0.28302
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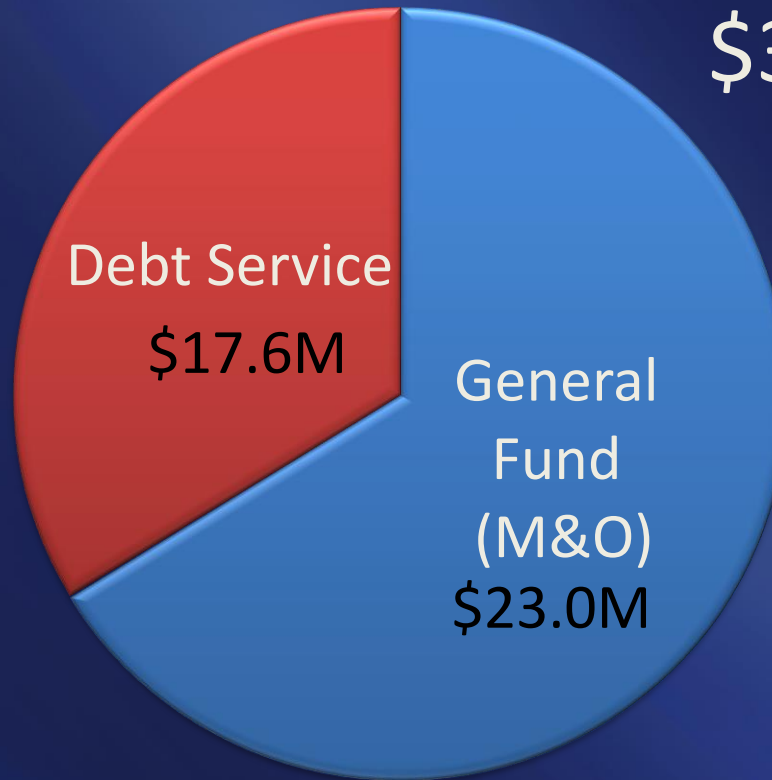
Debt	\$0.13733
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Adopted Tax Rate (FY13)	\$0.42035
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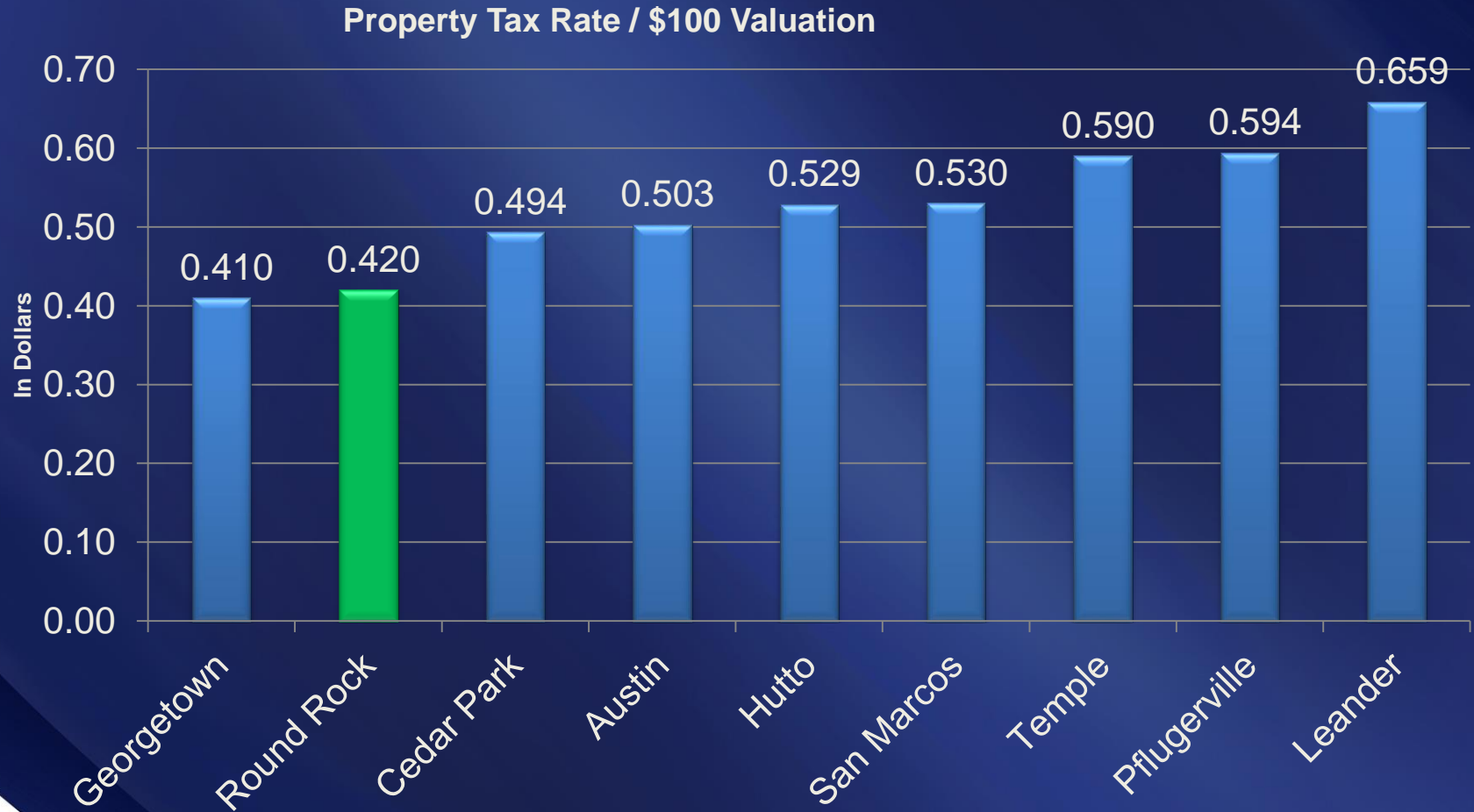


# Property Tax Revenue

\$34.6 Million  
FY2013

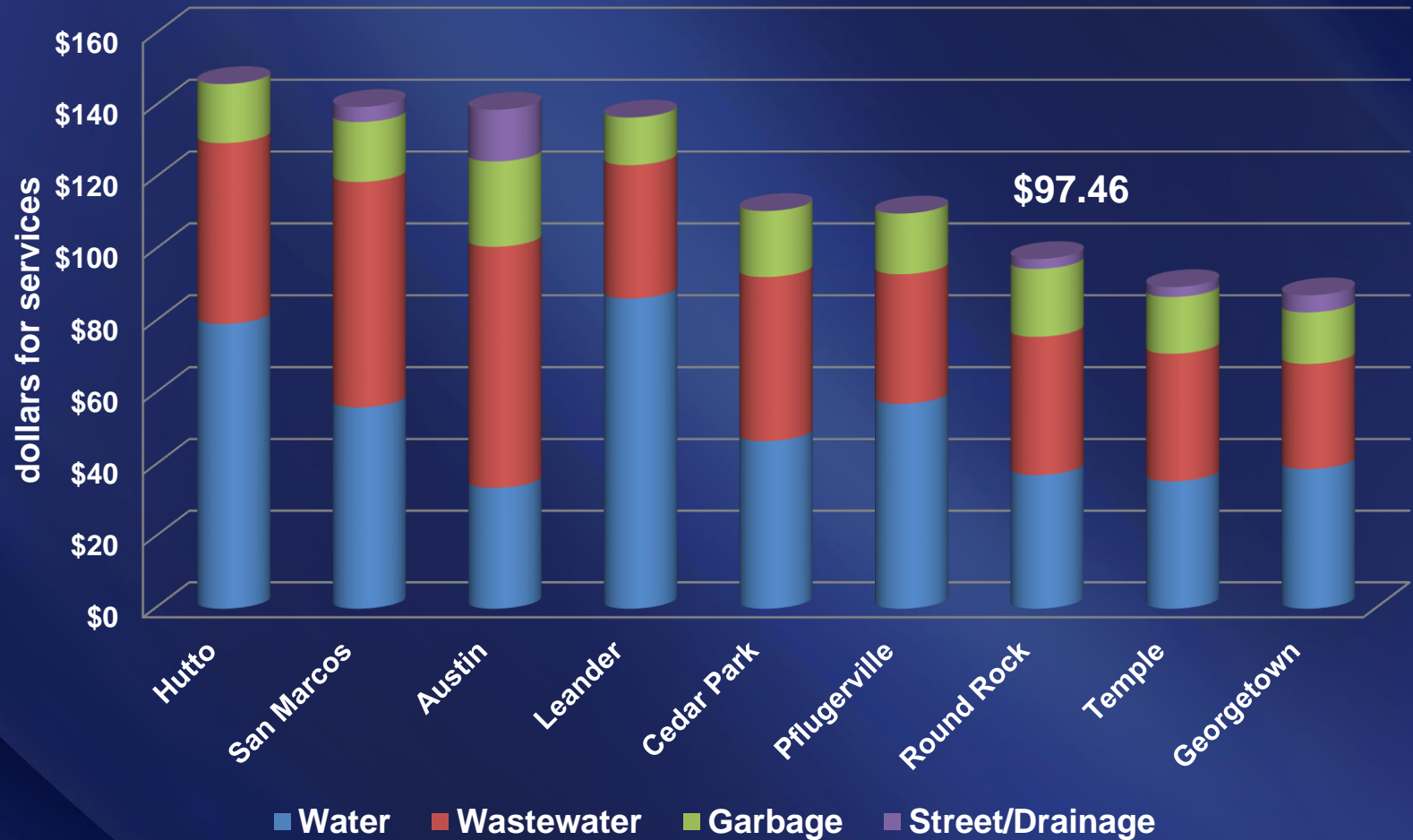


# Area Property Tax Rate Comparison

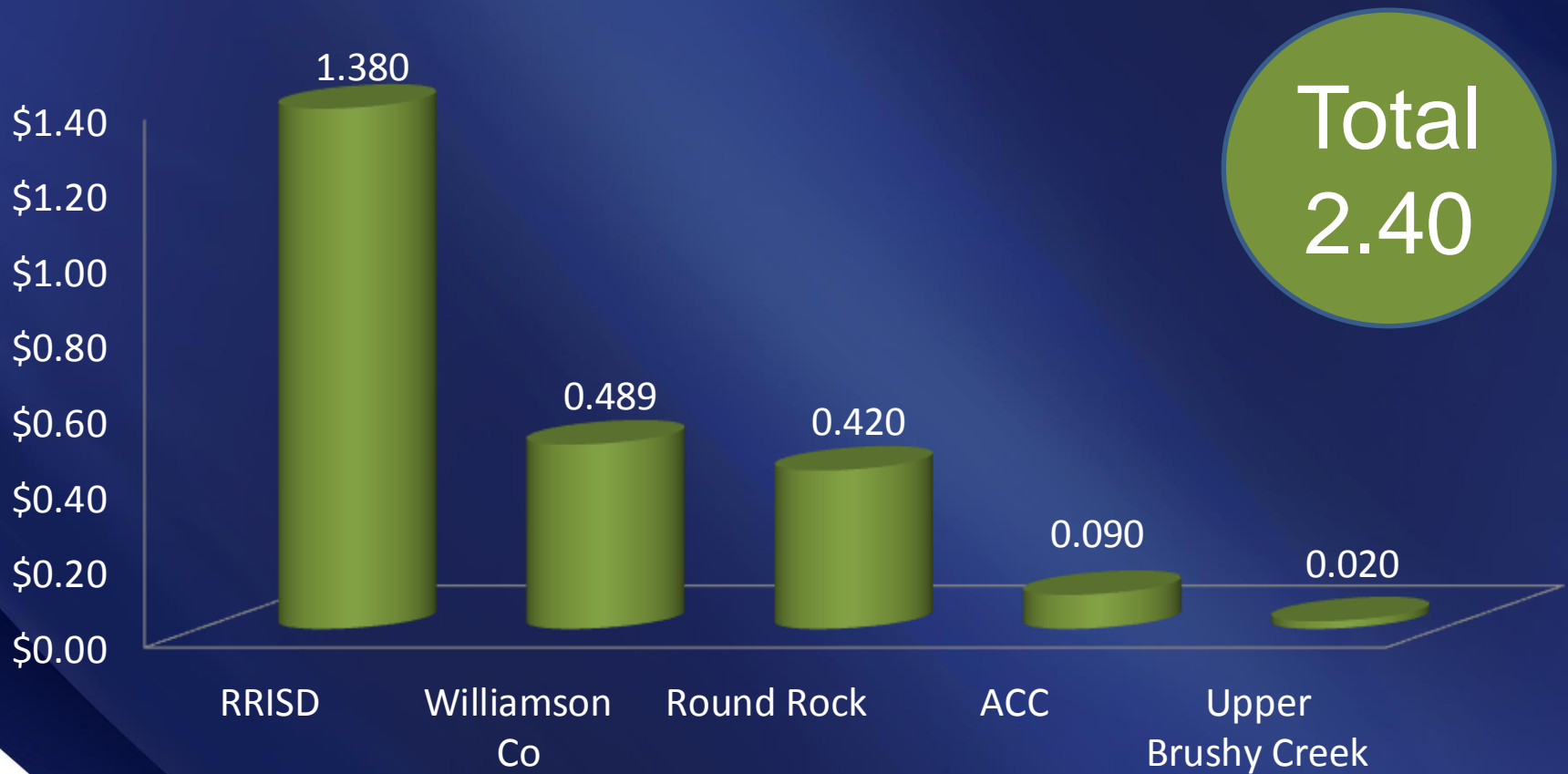


# Residential Utility Rate Comparison

(monthly cost)



# Round Rock Combined Proposed Property Tax Rates



(Per \$100 Of Valuation)

# Sales Tax Impact

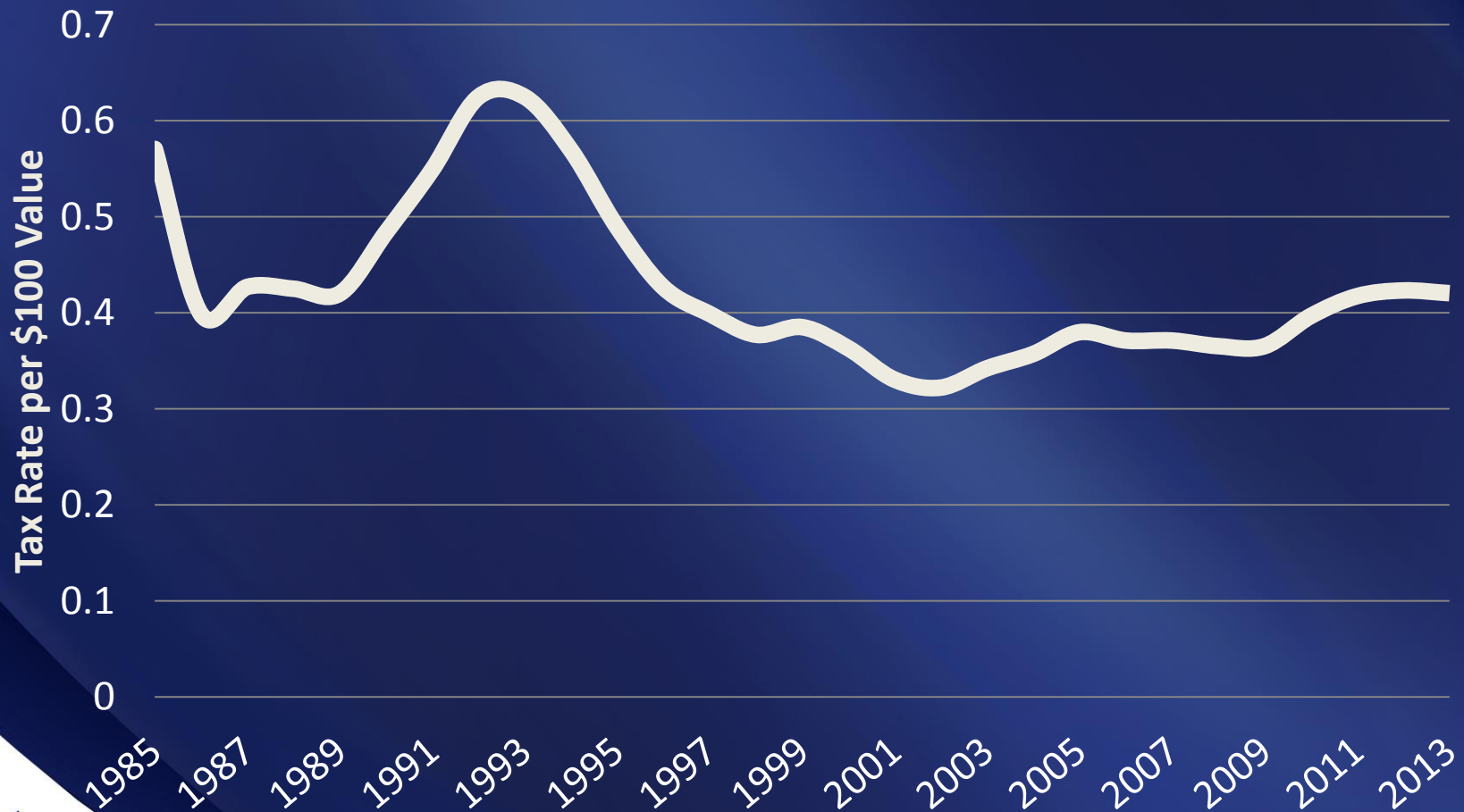
<b><u>Total Sales Tax</u></b>	<b>8.25%</b>
➤ <b>State</b>	<b>6.25%</b>
➤ <b>City Operations</b>	<b>1.00%</b>
➤ <b>Type B Corporation</b>	<b>0.50%</b>
➤ <b>Property Tax Reduction</b>	<b>0.50%</b>

**Sales Tax Adjust Rate (FY13)    \$0.19188**

- Amount dedicated property tax reduction
- ½ % of sales taxes collections



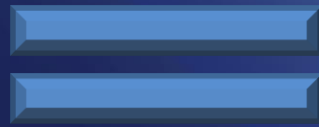
# Tax Rate History



# Property Tax Paid By Average Homeowner

<b>FY 2013</b>	
<b>Average Home Value</b>	<b>\$174,210</b>
<b>Tax Rate</b>	<b>\$0.42035</b>
<b>Annual Tax</b>	<b>\$ 732</b>

# Property Tax Revenue



**\$820,000**

Based on FY2013 AV @ \$8.2Billion

# Debt Issuance Impact

# Total Bond Project Summary

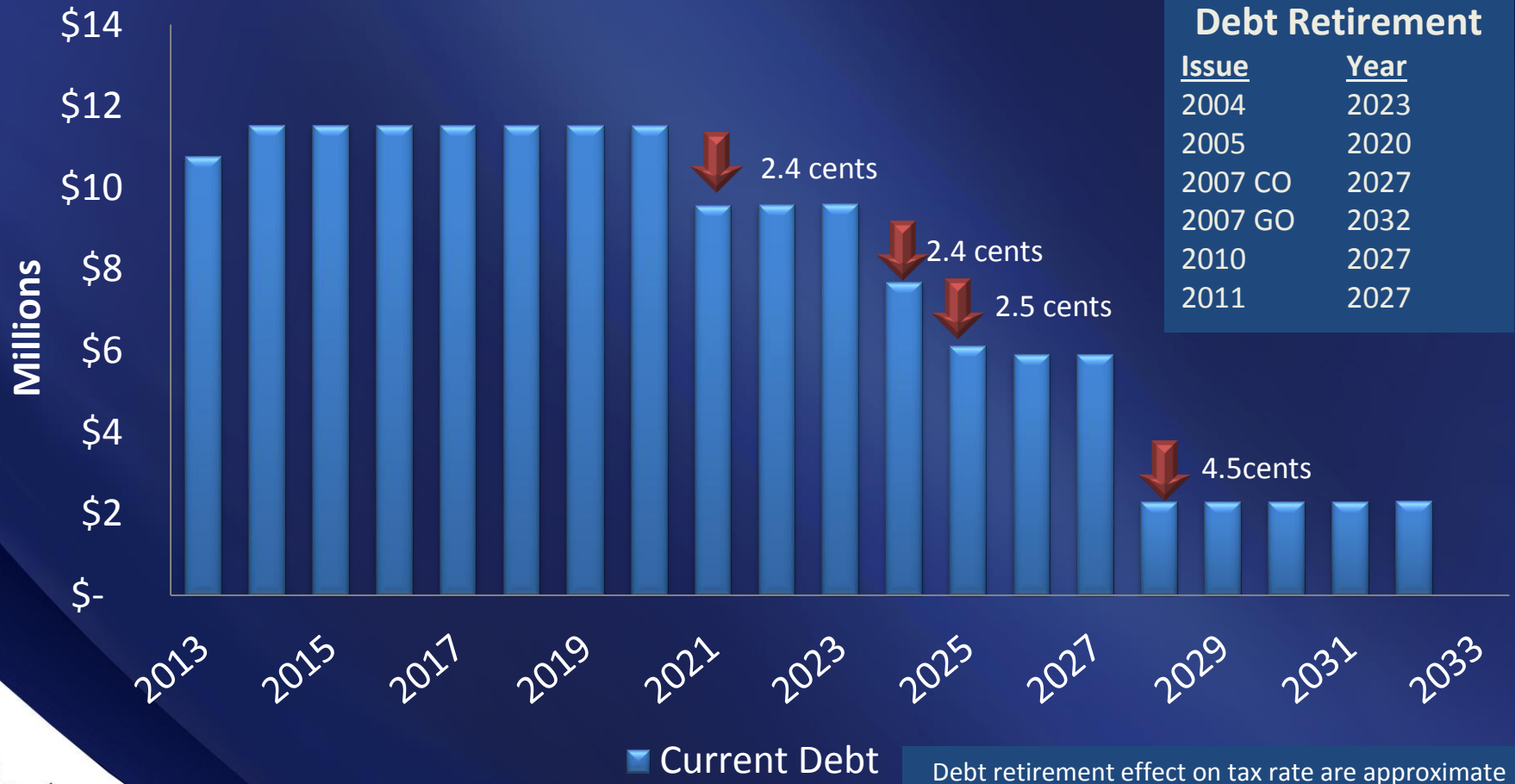
Project	Capital Costs	Additional M&O Costs
Library	\$25,638,315	\$ 863,728
Fire Stations	\$16,500,000	\$1,968,474
Police & Fire Training Facility	\$38,392,254	\$ 294,350
Parks	\$56,425,000	\$1,233,110
Arts	\$23,000,000	\$ 400,000
<b>TOTAL PROPOSED COSTS:</b>	<b>\$159,955,569</b>	<b>\$4,759,662</b>



# Assumptions for Debt Issuance

- Future debt retirement – proposed debt adjusted to level payments
- Debt issuances and Interest rates
  - series2014 3.5%
  - series2015 4.0%
  - series2016 4.5%
- All propositions are voted and approved
- Current assessed property value \$8.2 billion
  - 2% annual growth
- Average value of home \$174,210

# Current Debt Retirement



# Property Tax Rate Impact

## Maintenance & Operations (M&O)

Project	Additional M&O Costs	M&O Impact (estimated)	Add'l M&O Annual Impact*
Library	\$ 863,728	\$0.0100	\$17.59
Fire Stations	\$1,968,474	\$0.0240	\$42.23
Police & Fire Training Facility	\$ 294,350	\$0.0040	\$ 7.04
Parks	\$1,233,110	\$0.0150	\$26.39
Arts	\$ 400,000	\$0.0050	\$ 8.80
<b>Total</b>	<b>\$4,759,662</b>	<b>\$0.05800</b>	<b>\$102.05</b>

\*Based on \$174,210 home value

# Property Tax Rate Impact

## Debt Service

Issuance Amount	Add'l Debt Rate* (estimated)	Add'l Debt Annual Impact
\$80 million	\$0.0227	\$39.55
\$100 million	\$0.0277	\$48.26
\$120 million	\$0.0362	\$63.06
\$140 million	\$0.0477	\$83.10
\$160 million	\$0.0552	\$96.16

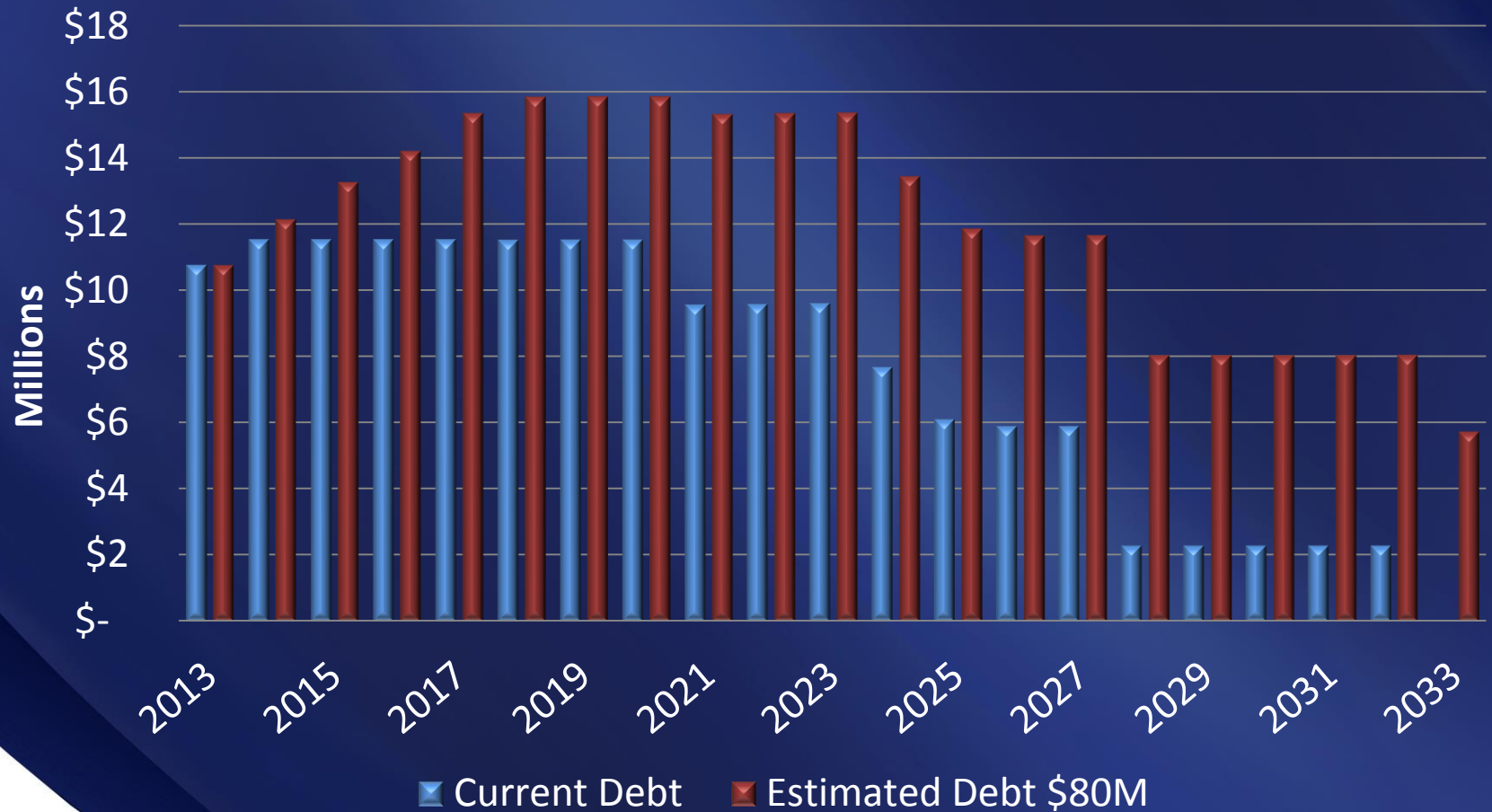
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# Questions



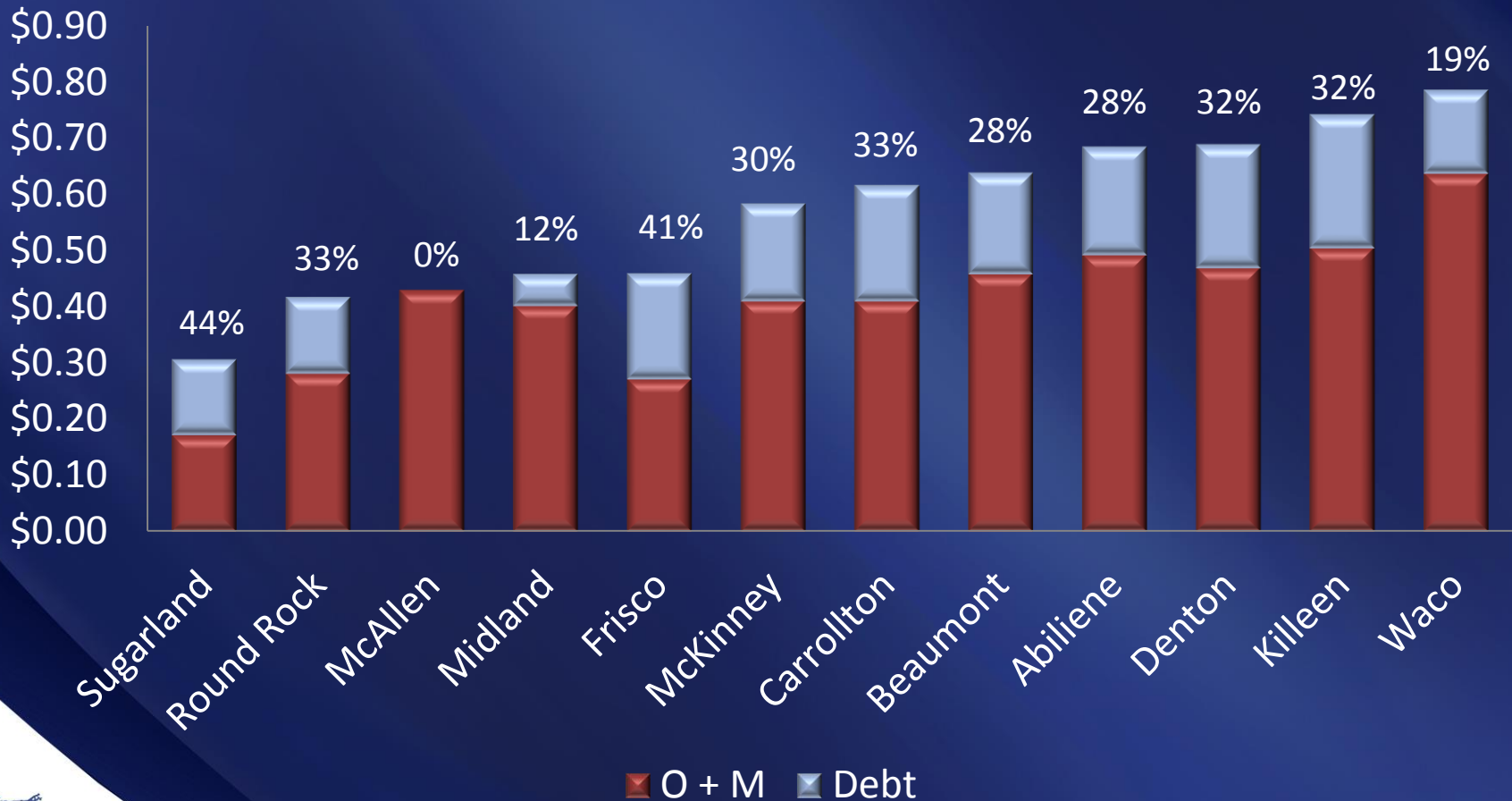
## Background info

# Aggregate General Obligation Debt Service



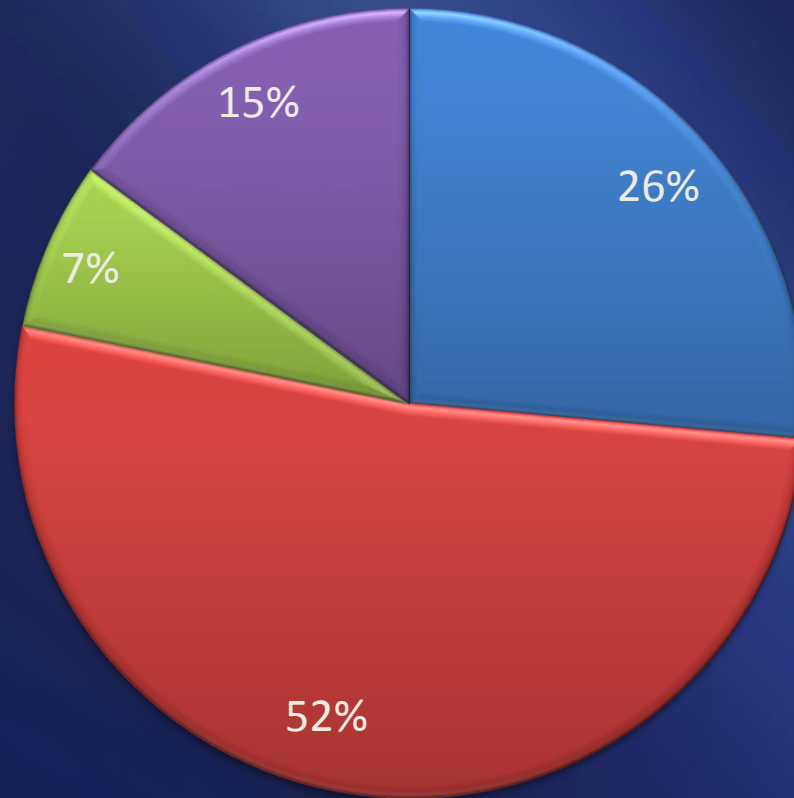
# Comparison of Similar Cities

## FY2013 Tax Rates



# General Fund Revenue Sources

■ Property Tax   ■ Sales Tax   ■ Franchise   ■ Other



# Taxable Property Value & City Property Tax Rate History

